

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6447

BILL NUMBER: HB 1176

NOTE PREPARED: Apr 29, 2013

BILL AMENDED: Mar 14, 2013

SUBJECT: Prohibited Horse Racing and Gaming Wagers.

FIRST AUTHOR: Rep. Koch

FIRST SPONSOR: Sen. Steele

BILL STATUS: Enrolled

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill prohibits members of the Indiana Horse Racing Commission (IHRC), employees of the IHRC, and racing officials from wagering on horse racing at the racetracks and satellite facilities located in Indiana. It provides that the prohibition also applies to the spouse of any individual prohibited from wagering. It provides that a person who wagers on horse racing in violation of the statute commits a Class A misdemeanor.

The bill prohibits members of the Indiana gaming commission (IGC) and employees of the IGC, from wagering on gambling games at the riverboats and racinos located in Indiana. It provides that the prohibition also applies to the spouse of any individual prohibited from wagering. It provides that a person who wagers on gambling games in violation of either statute commits a Class A misdemeanor.

The bill adds gaming agents to the definition of "law enforcement officer" for purposes of the criminal code.

Effective Date: July 1, 2013, Upon Passage.

Explanation of State Expenditures:

Explanation of State Revenues: *Penalty Provision:* The bill establishes a Class A misdemeanor for individuals who violate the prohibition in the bill for: (1) members and employees of the IHRC, racing officials, and spouses of these individuals from wagering on horse racing at Indiana horse racetracks and OTBs; and (2) members and employees of the IGC and their spouses from wagering at Indiana riverboat casinos and racinos. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Randhir Jha, 317-232-9556.